

(D. J. Dorelli)  
D. J. Dorelli

## NEKOOSA PORT EDWARDS STATE BANK

405 MARKET STREET

P. O. BOX 9

NEKOOSA, WISCONSIN 54457-0009

(715) 886-3104

2005 SEP 22 AM 10 26

Reply to:

September 19, 2005

Mr. John F. Carter  
Regional Director  
Federal Deposit Insurance Corporation  
25 Jessie Street at Ecker Square, Suite 2300  
San Francisco, CA 94105

RE: Comments Regarding FDIC Application of; Wal-Mart  
For Insurance and Industrial Bank Charter

Dear Mr. Carter:

Nekoosa Port Edwards State Bank writes to comment on the Wal-Mart Stores, Inc. application for a Utah industrial bank or industrial loan company charter (ILC) and federal deposit insurance. Nekoosa Port Edwards State Bank opposes the application and urges the FDIC to deny the application.

Nekoosa Port Edwards State Bank fluctuates between \$173,000,000 and \$175,000,000 in asset size.

We have a Wal-Mart complex in a neighboring community located about 10 miles away so we have already gone through the cleansing process. What concerns us is the fact that we are violating the long standing public policy of the separation of banking and commerce.

While Wal-Mart's current business plan for the ILC is narrowly described as providing back office processing of credit card, debit card and electronic check transactions in the Wal-Mart store, if granted, the camel will have it's nose inside the tent of banking. Time will then be on Wal-Mart's side about when to request expansions. If past Wal-Mart's history is any guide it won't be too long before we are suffering under full service banking in each Wal-Mart store which is what we desperately want to avoid.

240 Market Ave.  
PORT EDWARDS, WI 54469  
(715) 887-3285



*We want to be your financial partner*

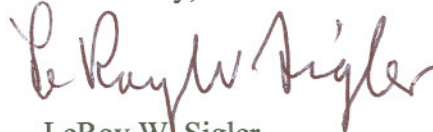
383 Hwy. 13 South  
NEKOOSA, WI 54457  
(715) 325-5676

After Wal-Mart places a branch bank in each store it could easily do the following:

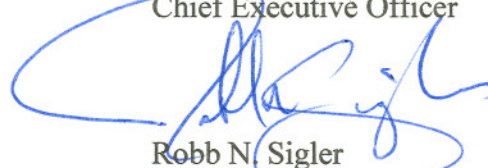
1. Siphon deposits from locally owned and operated community banks making it more difficult to support economic growth and development in these communities .
2. Wal-Mart banks would have no incentive to lend to businesses that compete with its parent company.
3. Wal-Mart banks would have an incentive to favor Wal-Mart's suppliers rather than their competitors.
4. Various retail outlets competing with Wal-Mart have charged Wal-Mart engages in predatory pricing practices to capture market share then raises prices once competitors have been eliminated.
5. Wal-Mart banks may realistically export deposits out of the local communities with devastating effect on these local communities.

THE END RESULT WOULD BE TO DRIVE LOCAL COMMUNITY BANKS OUT OF BUSINESS.

Yours truly,



LeRoy W. Sigler  
Chief Executive Officer



Robb N. Sigler  
President